

**TOY DISTRICT/DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
NOVEMBER 27, 2007
MINUTES**

BOARD MEMBERS

Present: Ernest Doizaki, Donald Kanner, Howard Klein, Matt Klein, William Shinbane, Mark Shinbane, Larry Rauch, Michael Tansey and Paul Vert.

Absent: Richard Gardner, Richard Meruelo, Thomas Payne and Charlie Woo.

STAFF: Tara Devine, Raquel King, Greg Lee, Estela Lopez and Vicky McCormick.

CONSULTANTS: Kathryn Brehm. Don Steier.

I. CALL TO ORDER

Vert called the meeting to order with a quorum at 12:08pm.

II. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

Lopez introduced LAPD Senior Lead Officer Earl Wright to the Board. Officer Wright is the Senior Lead Officer for the Toy District.

Officer Wright reported that LAPD had executed an illegal vending task force on November 24, in which the BID public safety officers assisted with transporting property and carts to the CCEA warehouse. Officer Wright informed the Board that there would be a DVD piracy task force on November 29. Officer Wright stated that the Toy District has been free of violent crimes, issues are mainly illegal vending.

Lopez added that on November 30 LAPD's parolee task force would be patrolling the District seeking out individuals who are parolees at large.

Officer Wright mentioned that there are more homeless in Skid Row due to the holiday giveaways and dinners at the missions.

M. Klein informed the Board of the opening of his new restaurant called the “6th Street Bar & Grill”. Klein stated that restaurant hours are 6am-3pm until he receives a liquor license. Klein provided lunch for the Board meeting.

III. APPROVAL OF MINUTES

H. Klein made a motion to approve the October 23, 2007 minutes, and Tansey seconded. The Board unanimously approved.

IV. FINANCIALS

Lopez informed the Board that Coelho was currently in China on vacation and that she would present the 2008 proposed budget.

Lopez reported that the 2008 budget had to be submitted to the City Clerk’s office by December 1, 2007. She then reported that the 2008 budgets reflect the 4% assessment increase in the Toy District and the 3% assessment increase in DID approved by the Board in May. The security and maintenance budgets are at the same level as year 2007. A 3% cost of living increase for staff was included in the budget.

Lopez stated that there would be savings in the marketing budget due to posting the newsletter on the website, therefore saving money on printing and mailing costs.

Vert confirmed with Lopez that DID would be under budget \$45,000, and Toy over budget \$22,000 at the start of 2008.

Rauch made a motion to approve the 2008 budgets for the Toy District and DID, and M. Shinbane seconded. The Board unanimously approved.

V. OPERATIONS UPDATE

Lopez reminded the Board of the three maintenance proposals received from FSS, Chrysalis and It's A Blast. She stated that FSS is very good at what they do, but the cost estimate was not affordable at \$65,000 per month. FSS survey of the area called for a larger workforce. CCEA would also have to pay additional for pressure washing services, as well as provide the equipment.

Chrysalis' bid was lower at \$45,000 per month, but pressure washing would cost additional for the equipment and labor.

Its A Blast was the lowest bid received and includes pressure washing.

Lopez then expressed that Chrysalis' services had deteriorated considerably and that McCormick had a three-page list of workforce violations by Chrysalis personnel assigned to CCEA. Lopez stated that Chrysalis recently hired a new VP of Operations that seems very earnest and interested in maintaining CCEA business, but Chrysalis' staffing and oversight issues may be insurmountable at this time. The South Park BID also opted not to renew their maintenance contract with Chrysalis and have entered into a contract with the L.A. Conservation Corps.

Lopez stated that It's A Blast is presently doing a good job in the Arts District. Their proposal for Toy & DID includes nine employees performing duties such as pressure washing, graffiti removal, electric blowing, sweeping and two trash trucks. Mechanization would reduce the number of personnel sweeping trash off District sidewalks, thus reducing the labor costs. Lopez asked the Board for permission to enter into contract negotiations with It's A Blast.

Doizaki recommended that It's A Blast be put on a six-month probationary period. Vert recommended that Lopez send a termination letter to Chrysalis with the workforce violations included.

H. Klein made a motion to approve Lopez proceeding with contract negotiations with It's A Blast, and M. Shinbane seconded. The Board unanimously approved.

McCormick reported that transient individuals are starting to wander back into the district due to the holidays. The Safer Cities Initiative (SCI) extended its borders to 9th Street into Newton Area. Thirty arrests were made between Kohler and Stanford Streets. Major SCI enforcement days are Monday and Tuesday.

CCEA is working with the LAPD during the holidays distributing safety tips flyers to shoppers and business owners.

McCormick informed the Board that the temporary resumption of pressure washing, made possible with funding from Councilman Jose Huizar, would end on December 7th. She then reported that the trash stats remain the same as previous months.

VI. LEGISLATIVE UPDATE

Devine briefed the Board on the DWP rate hikes. She reported that the rate hikes that would be effective in 2008 are currently working through City Council Committees. The rates will increase overall 25%-30%. The energy cost adjustment was lifted from 2002, which triggered the rate increase. Now the DWP wants to recapture the variable cost for providing energy, and compliance to provide cleaner fuel.

The DWP is proposing an immediate 9%-10% increase right now for water and power over the next 18-months. Rates will increase three times in 18-months. Devine stated that the Neighborhood Councils strongly oppose the rate hike.

Devine reported that the Mayor's office have created a Central City East Vision Work Plan-- a ten-year plan specific to the Skid Row area. The Mayor's office hired a consultant from San Diego. The consultant will hold in-person interviews with stakeholders; CCEA's interview will take place in one week.

VII. NEW BUSINESS- None

VIII. ADJOURNMENT- The meeting of the Board was adjourned at 12:20pm.